## Amendment No. 1 to SB1688

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Signature	of	Spo	nsor

Date
Time
Clerk
Comm. Amdt

**FILED** 

AMEND

House Bill No. 240\*

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 63, Chapter 1, is amended by adding the following language as a new, appropriately designated section:

63-1-148.

Senate Bill No. 1688

- (a) A restriction on the right of an employed or contracted health care provider to practice his or her profession upon termination or conclusion of the employment or contractual relationship shall be deemed reasonable if:
  - (1) The restriction is set forth in an employment agreement or other written document signed by the health care provider and the employing or contracting entity; and
  - (2) The duration of the restriction is two (2) years or less and either:
    - (A) The maximum allowable geographic restriction is the greater of (i) a ten (10) mile radius from the primary practice site of the health care provider while employed or contracted or (ii) the county in which the primary practice of the health care provider while employed or contracted is located; or
    - (B) There is no geographic restriction but the health care provider is restricted from practicing his or her profession at any facility at which the employing or contracting entity provided services while the health care provider was employed or contracted with the employing or contracting entity.
- (b) An agreement entered into in conjunction with the purchase or sale of a health care provider's practice, or all or substantially all of the assets of the health care provider's practice, may restrict such health care provider's right to

practice his or her profession, provided that the duration of the restriction and the allowable area of the restriction are reasonable under the circumstances. There shall be a rebuttable presumption that the duration and area of restriction agreed upon by the parties in such an agreement are reasonable.

- (c) The provisions of this section shall apply to health care providers licensed under title 63, chapters 3, 4, 5, 6, 8, 9 and 11.
- SECTION 2. This act shall take effect July 1, 2007, the public welfare requiring

it.